



## Interreg South Baltic Programme 2021-2027

Public consultations

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## **Programme area**

The Programme covers 25 NUTS 3 regions (subject to change, if the area is extended to Olsztyński sub-region), which are part of the territories of five Baltic countries: Denmark, Germany, Lithuania, Poland and Sweden. The South Baltic Area ('SBA') has a distinct blue and green character, featuring the sea basin, coastal landscapes and extensive green areas with numerous lakes and streams. At the same time, it has a largely coastal character (most of the Programme area is situated within 50 km of the coastline). The South Baltic cross-border character is strongly defined by the Baltic Sea positioned centrally within the Programme eligible area. This unique geographic nature of the region determines specific conditions for cooperation. While, on the one hand, the Baltic Sea serves as a natural physical barrier to cooperation, on the other hand, cooperation within the region has a long tradition with its roots in the Middle Ages. However, despite the shared history, the recognition of a common South Baltic identity in the local and regional communities is low. What is more, there are strong socio-economic disparities within the region.

The South Baltic Area has a non-metropolitan, mostly rural character, with scattered settlement structures. The population is concentrated in a few large urban centres, which are the main poles of social and economic development. The area is inhabited by approx. 8.9 million people (2019), with half of the population living in the Polish coastal regions.

Since the early 1990s, the emerging cross-border ties established as part of Euroregions (Pomerania, Baltic) have resulted in many diverse collaboration networks spreading across the South Baltic Area involving: regional and local authorities, business organisations, R&D institutions, and NGOs. These cooperative networks have been strengthened by joint projects under the South Baltic Programme 2007-2013 and 2014-2020 and have provided a solid foundation for the years ahead.

## **The overall vision of the South Baltic Area**

The central location of the sea (affecting transportation patterns and socio-economic convergence processes in the SBA), the maritime character of historical trade relations, the joint asset of extensive and relatively undisturbed natural areas, and the shared importance of

economic sectors utilising the rich natural resources (both land and sea-related) determine the role of the blue and green economy for sustainable and innovative regional growth in the South Baltic Area. The potential of cooperative networks between the area's knowledge-intensive services and research-intensive industries, the availability of businesses investing in and promoting clean, energy efficient technologies, and the untapped resource of tertiary education graduates are exemplary assets shared by the South Baltic regions.

At the same time, the South Baltic regions show considerable disparities in socio-economic characteristics, with visible urban-rural and west-east divides in the economic attainment of the SMEs, innovation capacity in the regions, demographic, migration and labour market trends or mobility patterns that need to be addressed by joint actions across borders.

The South Baltic Programme's area is unique, as it covers regions from five Member States mostly without direct land borders – the border between them is on the Baltic Sea. Taking it all into consideration, the vision for the South Baltic Programme is: ***"United by the Sea into action for a blue and green future. – Innovative, Sustainable, Attractive and Active South Baltic."***

Where:

**"Innovative"** – describes an approach to the economic growth that utilises the endogenous potential of the SBA (e.g. number of research institutions, universities and modern enterprises). It underlines that the innovation will be a foundation and competitive advantage of the South Baltic regions and will support the cross-border cooperation and growth of the most important sectors for the SBA, i.a. energy, construction, transportation, agriculture and forestry, food manufacturing and processing and also highly desirable in tourism and culture as well as other branches.

**"Sustainable"** – means that the actions, which will be undertaken within the Programme, will bring positive impact on the regions in environmental, social and economic development. A sustainable approach is very much connected with the green and blue economy which is essential for the regions of the South Baltic. Green economy / technologies relate to environmentally friendly solutions, that promote the sustainable management of resources and take into account energy efficiency, recycling, safety and health concerns, etc. The term relates

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to methods, approaches, solutions, materials, devices, products and services applied in a wide range of activities. These usually include: production and transmission of renewable energy, water and air purification, sewage treatment, environmental remediation, solid waste management, energy conservation and life-cycle solutions, chemistry, food manufacturing and processing, housing, and many more. At the same time blue economy is defined as all economic activities related to oceans, seas and coasts, and can cover the following sectors: blue energy – offshore wind power, tidal and wave power, ocean thermal energy conversion, aquaculture, maritime, coastal and cruise tourism; deep-sea and shortsea shipping, marine mineral resources (seabed mining), marine biotechnology (e.g. resources in the pharmaceutical and cosmetic industries), desalination, coastal protection, maritime security & surveillance and environmental monitoring. In order to ensure the proper blue and green growth of the SBA the sustainable approach is inevitable.

**“Attractive”** – emphasizes the natural and cultural values of the South Baltic Area. These regions not only have beautiful landscapes, but also a wealth of vegetation and green areas. In addition, the SBA also has a deeply rooted cultural heritage that has been visible for centuries in industry and commerce. The word "attractive" emphasizes the extremely important role played by tourism, cultural and natural heritage for the South Baltic regions.

**“Active”** – places emphasis on the need of actions aiming at ensuring the economic growth of the SBA, as well as to improve the quality of life of the South Baltic regions’ inhabitants. In addition, “active” also refers to the issue of cooperation between various groups of stakeholders from different regions. The South Baltic Area has a diverse array of actors with a huge potential for improved cooperation between them, at the cross-border level. “Active” in connection, especially with “innovative” and “sustainable” put particular emphasis on strengthening the collaboration between actors in the Quadruple Helix Model, which sets out the relationships between the industry, academia, public entities and civil society. A part of social sustainability is to involve citizens, which will lead to increased understanding, knowledge

and engagement. The equal involvement of citizens and civil society will improve the quality of life in the region.

### **Economic area | Key challenges**

The South Baltic Area has witnessed a steady economic growth over the recent years, however the level of economic development varies considerably between countries and regions. Despite the extensive resources allocated from the EU cohesion policy, inequalities have not been completely levelled out. Large disparities between the regions of the South Baltic Area in the earnings of the population as well as in terms both of GDP per capita and disposable income. The richer regions from Denmark and Sweden (and the less wealthy German regions) are disproportionately richer than the Polish and Lithuanian ones. Income among the regions is distributed unevenly, indicating no common trend. Besides the differences between countries and regions, the disparities have a strong urban-rural character.

The service sector is dominant in the South Baltic Area, in line with the European trend. It is noteworthy, however, that the agriculture, forestry and fishery sector nevertheless enjoys a strong position in the eligible Programme Area compared to their respective national averages. The sector remains a significant source of employment and, on average, employs more people than in regions outside the eligible Programme area. It is also worth noting that these sectors contribute a significant portion of the value added produced within the SBA and their position is often stronger when compared to their position on the national level in the countries of the eligible Programme area.

A distinct pattern across all the eligible area is the dominance of small enterprises, which employ 1-9 people. In line with the trend at the European level, small enterprises constitute the vast majority of enterprises, followed by medium-sized companies, while firms employing above 50 employees most frequently represent only approx. 2% of all companies. The dominance of small enterprises determines their important role to the regional economy. However, cross-border cooperation in the business sector in the South Baltic Area should be further strengthened, allowing companies to further enhance collaborative culture and to reap the benefit of sharing knowledge and undertaking collaborative activities. In particular, efforts

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at strengthening cooperation could allow SMEs to unleash their potential for technological transformation and internationalisation.

Tourism is one of the leading industries in the South Baltic Area. However, despite the presence of varied tourist attractions, unpolluted and exciting natural landscapes and a decent accommodation base, relatively large disparities between SBA regions are noted in the level of development of the tourist infrastructure. The environmental and climate conditions of the SBA, created by the influence of sea water, beaches and green areas, are currently used only in a limited extent for the creation of year-round tourist offers. The sustainable use of the environmental assets for building the tourism offer, breaking the seasonality in tourism, can contribute to the development of the whole Programme area. The South Baltic Area does not have a common approach towards building a sustainable and innovative tourist sector, which would allow to more fully reap the benefits of the region's touristic potential. The Programme area could therefore benefit from cooperation in developing a common tourist product. This would bring not only economic benefits, but also elevate the SBA as a more attractive tourist destination and – allowing for the introduction of more sustainable practices – help preserve the unique environment of the region.

The South Baltic Area has a coastal zone location and large sections of the eligible Programme area have access to the sea. These features determine the huge potential of the region to develop a blue economy in a sustainable way that allows to preserve the eco-system balance of the South Baltic. The Blue Economy encompasses a number of varied sectors (including maritime transport, resource extraction, tourism and others), many of which both generate a significant value added and employ large portions of the countries' populations. While Blue Economy plays an important role in the economies of the SBA, a number of unsustainable activities are practised as well. One of them is over-exploitation of the Baltic fishery resources. Strengthened cooperation to address the issue could allow the region to reap the benefits of sustainable development of the sector. However it should be noted that over-exploitation of the Baltic fishery resources falls under the European Maritime and Fisheries Fund interventions.

## Social area | Key challenges

Overall, the eligible area has seen an upward population growth rate trend. At the same time, the eligible area has experienced an inflow of immigrants with the average crude rate of net migration at 2.08%. Highest inward migration can be observed in two Swedish regions (at the rate of 10.3). Average crude rate of natural change of population in the eligible area, however, remains negative (-1.92%). However, the trends for individual regions have varied, with some of the subregions experiencing negative growth rates. Rural regions tend to experience most heavy depopulation – a trend that is directly related to the continuing rural-urban migration towards the urban centres, including towards the key cities within the eligible area, which have seen positive growth.

The structure of society is changing in the South Baltic Area. On the one hand, due to the development of medical sciences and a lower value of birth rate, its society is getting older. This is a challenge that entails the obligation to adapt the labour market, social policy, as well as public spaces and residential buildings. It covers also aspects related to the growing number of persons with disabilities<sup>1</sup>. On the other hand, the exodus of graduates from the South Baltic Area to other regions, which often offer better financial and development opportunities, causes the loss of well-educated young people that could potentially strengthen the local labour market. This phenomenon is particularly visible in the rural areas as well as in the sub-regions located near larger urban centres.

While there is significant room for cooperation in the field of education, education systems across the South Baltic Area vary largely depending on the solutions adopted on the national level. Notably, the concept of lifelong learning is not consistently popular across the region and tertiary educational attainment varies, although it remains above the EU average of 40%. The eligible area is home to a number of renowned educational institutions, which – albeit to a limited extent – are already interlinked by regional and international networks of cooperation. The cooperation and relatively strong cohesion of educational offer (especially in fields related

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<sup>1</sup> According to information presented in the Disability rights strategy for 2021-2030 app. 48% of the population aged over 65 is disabled in some way

to the blue and green industries which are of great importance for the SBA economy) constitutes a significant asset in terms of developing cross-border cooperation.

While the South Baltic Area is characterised by cultural diversity, the region nevertheless has important shared heritage, bearing an imprint of common historical experiences and influences, which continue to shape the contemporary cultural profile of the region. Shared historical experience and the proximity of the sea has led to the development of shared cultural elements as well as emphasis on the historical experiences related to the development of the maritime sector across nearly all of the SBA subregions. What is more, the eligible Programme area is home to a number of renowned cultural institutions, which attract both regional and international attention and visitors, increasing touristic potential of the subregions.

### **Environmental and Infrastructural area | Key challenges**

Although significant progress has been achieved in order to address some of the most pressing environmental challenges faced by the South Baltic Areas, increased cooperation is key in order to protect the unique environment of the region and eliminate unsustainable practices. Most notably, climate change poses a major threat to the region. Among other negative consequences, it contributes to rising sea levels, which may lead to flooding across the lowland and depressed areas in the region. Moreover, the average temperature of water in the Baltic Sea has been rising, on average, by approximately 0.40°C per decade, threatening its biodiversity. Indeed, most of the Baltic Sea has been rated as “Moderate” or “Poor” with respect to biodiversity and, therefore, has been classified as a problem area. At the same time, the Baltic Sea is in a critical situation in terms of eutrophication and pollution levels. The eutrophication level is at 87%, the highest rate among European seas as of 2019. While pollution is primarily discharged into the sea from the shore, pollutants cumulated at sea – including those discharged from marine vessels and those emerging from dumped ammunition – remain a significant problem. These environmental problems constitute significant shared challenges faced by the region. Sea level and floods are not only threats to the environmental security of the region – there are also other negative phenomena visible, e.g. impact of climate change on crop growing, drought, shortage of water supplies and pollution with chemicals and plastics.

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While diverse sources of renewable production are exploited across the eligible area, it is worth noting the significant potential of the region for the development of sectors producing (i) wind energy, (ii) bioenergy and (iii) solar energy. In addition, the SBA has a wave energy production potential. Yet, the varied and often unstable conditions in the Baltic Sea – which differ both regionally and depending on the season – create obstacles for development in this respect. Choosing the right type of technology and adapting it to the local conditions could ensure optimal wave energy production. However, while renewable energy production capacities have been steadily increasing across the region, there remains room for further development and joint actions. In particular, lack of adequate renewable energy storage capacities and facilities in several regions may slow down the rate of increase of clean energy production. There is also a need for the system to handle irregular power flows from many small production units, especially at rural areas.

Each region within the SBA has a distinct policy concerning environment issues. This impedes the opportunities for exploiting the synergy effect resulting from the neighbouring location of the regions and conduction of joint actions for environmental protection and the SBA brand building (as a leader in implementation of eco- and green solutions). Challenge is also connected with the need to improve of renewable fuels production and distribution including building proper infrastructure (e.g. charging stations).

The Programme area is characterised by a well-developed national and regional transportation network as well as the presence of several multi-modal transportation hubs, offering access to sea, land and air transport. The SBA has witnessed an increase in the accessibility levels in the years 2006-2016, although the accessibility indicators continue to vary across the region. Key challenges related to transport and accessibility include disparities between transportation systems of the western and eastern parts of the Programme area and poor public transport connections between rural and urban areas, a trend which corresponds with the continuing increase in car-based mobility. What is more, there is a need to develop infrastructure for renewable fuels, charging stations for electric cars etc.

Despite a number of infrastructure investments, which significantly improved the national and regional transportation systems, there are still needs in terms of internal connections from

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rural areas to urban centres, also taking into consideration social inclusion of all groups (i.a. accessibility for disabled persons). Developments addressing such needs could have a positive impact on, among others, the structure of the labour market and the structure of settlement developments. Such actions would also represent countermeasures against the present trend of increasing car-based mobility.

## Technological area | Key challenges

While the SBA is characterized by relatively high level of access to IT/telecommunications infrastructure, there are still large disparities between countries and regions in terms of access to advanced ICT services (e.g. cloud computing) which impacts technological advancement of particular regions, for instance in terms of digitization of public sector services. In addition, the current model of concentrated development of ICT infrastructure and services in growth centres benefits urban areas, while putting rural areas at a disadvantage, thereby further exacerbating the rural-urban divide. It is necessary to introduce programs aiming to eliminate the existing market failure and improve access to ICT infrastructure and services.

A significant percentage of the surveyed companies located in the South Baltic Area face the problem of an insufficient number of suitably qualified ICT specialists. The growing needs of the economy and the public sector as well as the insufficient supply of labour force in this area may constitute a significant barrier to development. Hence the need, in addition to educating new ICT specialists, to build a broad training program for the currently employed employees and to increase their digital competences. The continuing trend of low employment of women in the ICT industry is not conducive to closing the employment gap in the ICT industry and increasing women's competences in this area. This can lead to a deepening digital divide and inequality in access to jobs and the risks of discrimination. Counteracting this phenomenon requires undertaking extensive educational activities and motivating women to work in the ICT sector.

As for innovation, the results of the latest European Innovation Scoreboard 2020 study reveal a disparity between the western and eastern parts of the Programme area. The German, Swedish and Danish SBA regions have been classified as innovation leaders or strong innovators, compared to the Lithuanian and Polish regions, which are considered to be either modest or moderate innovators.

The expenditure on Research and Development (R&D) within the eligible area remains relatively low compared to the European average and varies on the regional scale. Only in a minority of regions does both public and private expenditure on R&D exceed the EU average, while the rest of the area lags behind other European regions in this respect. In addition, while at the national level the R&D expenditure pattern is one of dominance of private sector

expenditure over public expenditure, in line with a wider European trend, this pattern is reversed within the SBA, when examined at the NUTS 2 level, where public expenditure on R&D dominates. Small and medium-sized enterprises based in the SBA have undertaken a diverse range of innovation activities, with a varied degree of success. The companies from the SBA have so far been preferring independent work on innovative solutions than cooperation with other entities in this field. This approach severely limits the perspective of innovation development and does not prompt companies to make use of external resources available in their vicinity. It is not conducive to the process of networking and sharing endogenous SBA resources and building a culture of trust and cooperation.

## **Programme priorities**

United by the sea into action for the blue and green future

Innovative: enhancing the level of innovation and internationalization of local stakeholders

Sustainable: promoting sustainable environmental development and the blue and green economy

Attractive: activating tourist potential

Active: improving cooperation governance

### **Priority Axis 1: Innovative South Baltic – enhancing the level of innovation and internationalization of local actors**

Selected Policy Objective: 1 Smarter Europe

Selected Specific objectives:

- 1.2 Reaping the benefits of digitisation for citizens, companies, research companies and public authorities
- 1.3 Enhancing sustainable growth and competitiveness of SMEs and job creation in SMEs, including by productive investments

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## **Programme Measure 1.1: Digitizing the region**

The SBA has a significant economic potential, especially in sectors related to the blue and green economy, nevertheless in order to ensure that it is adequately developing towards a knowledge-based and innovative, it still requires to be stimulated and supported. Actions aimed at increasing the level of digitization of different sectors of regional economy may allow to reduce the negative effects resulting from the relatively low level of transport connections between the SBA regions and disparities in access to public transport especially to increase the level of access to public services (e.g. health care, etc.). Digitalisation in transport will lead to strong formal connection in mobility actions and the demand in developing the maritime sector and its connection to public transport (incl. digitalisation of ports and multimodal chains, transport planning and individual transport behaviour). This will unlock the potential and illustrate the advantages of open data in the public sector as well as harmonisation of data in the field of cross-border cooperation, strengthening the sustainability dimension by improving accessibility in rural areas, inclusion of elderly and disabled people and decrease disparities between genders in the labour sector.

Moreover, the digitization processes are closely related to the digital pillars of the European Commission concerning strengthening solutions in the field of i.a. artificial intelligence, cybersecurity, digital skills, connectivity etc. Thus, the actions under this Specific Objective will support the process of achieving the goals defined by the EC. Additionally, it is worth to underline that the EU's digital strategy aims to make this transformation work for people and businesses, while helping to achieve its target of a climate-neutral Europe by 2050.

Considering abovementioned facts, the activities under this Specific Objective, strongly connected to smart specialization and key strength areas in the regions, have a great potential for cross-border cooperation and may support many different groups of stakeholders.

The planned interventions may include small scale pilot actions when it is justified.

### **Exemplary actions**

- developing, demonstrating and implementing cross-border solutions regarding digitization of public services (e.g. developing inclusive new e-services: in transport (e-ticket), in health care (e-Care) etc.),

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- developing, demonstrating and implementing cross-border solutions regarding digitization of processes in different sectors (e.g. in maritime (joint security standards and applications for small ports), in logistics (optimization of transport of passengers and goods), etc.),
- development of learning modalities that focus on digitization (e.g. online tools, apps, etc.) in the most relevant sectors (e.g. blue and green economy, sustainable transport),
- actions aimed at building platforms for cooperation of digital innovation hubs / universities / R&D institutions and SMEs to support the modernisation and digitalisation in the SBA,
- joint actions aimed at promotion of digitization processes and new digital solutions (e.g. cross-border promotion campaigns etc.)
- joint actions aimed at enhancing social aspects of digitization (i.e. digital inclusion), including development of e-services for elderly people and / or people with disabilities,
- support of development of digital competences of the employees of institutions of public sector important for effective functioning of modern administration and implementation of public policies
- transfer of knowledge and exchange of best practices on technical standards between regions.

### **Main target groups**

- SMEs representing blue and green sector and developing / transferring innovative solutions and services within the South Baltic area
- public institutions and equivalent public entities in the SBA
- public services users

### **Exemplary types of beneficiaries**

- SMEs
- formal associations, clusters and networks of SMEs
- local and regional authorities and their associations
- institutions managing and servicing public transport

- health care institutions
- maritime institutions (incl. ports managers and port authorities)
- chambers of commerce, business development agencies, business incubators, technology parks and other business support organizations
- schools, higher education and R&D institutions
- NGOs
- European Groupings of Territorial Cooperation

### **Output indicators**

Priority 1

Specific objective 1.2

ID RCO 84

Indicator Pilot actions developed jointly and implemented in projects

Measurement unit No. of pilot actions

Milestone (2024) 0

Final target (2029) 7

ID RCO 116

Indicator Jointly developed solutions

Measurement unit No. of solutions

Milestone (2024) 0

Final target (2029) 14

### **Result indicators**

Priority 1

Specific objective 1.2

ID RCR 104

Indicator Solutions taken up or up-scaled by organisations

Measurement unit No. of solutions

Baseline 0

Reference year 2020

Final target (2029) 7

Source of data Progress report

### **Programme Measure 1.2: Building connectivity of the region through internationalization**

Economic growth of the SBA requires actions dedicated to the enhancement of SMEs competitiveness, innovativeness, as well as their presence on an international market. Very often, fear of the unknown market, insufficient knowledge, financial and personnel resources or even poor assistance by business support organisations in obtaining access to information about opportunities, conditions and routines of the international market operations represent key obstacles to business internationalisation. Consequently, the expansion of SMEs within and beyond the SBA requires efficient cross-border learning and networking platforms, business advisory services and matchmaking actions to assist them in moving from domestic to international business practices.

At the same time, internationalization of the SBA economy creates new opportunities for cross-border cooperation and promotion of the South Baltic Area outside its borders. There is a strong potential for technology transfer and cooperation between enterprises, research centres and higher education sector to foster innovative solutions.

Under this Specific Objective, beneficiaries are encouraged to carry out innovation driven activities in cooperation with different stakeholders (e.g. SMEs with universities, R&D institutions, public bodies, business support organisations). The focus will be to create cross-sectorial partnerships and collaborations strongly connected to smart specialization and key strength areas in the regions.

The planned interventions may include small scale pilot actions when it is justified.

## **Exemplary actions**

- promoting and supporting cross-border cooperation between SMEs to create innovative solutions in key strengths areas, e.g. blue and green sectors (incl. maritime / offshore),
- developing and promoting on international markets joint products / solutions / services in key strengths areas, e.g. blue and green sectors (incl. maritime / offshore),
- initiation and development of sector and cross-sectoral networks (clusters) and their expansion aiming at improving i.a. innovation capacity, quality of services and internationalisation among local actors in the SBA in relevant sectors, e.g. blue and green sectors (incl. maritime / offshore),
- supporting collaborative research projects between SMEs, universities (or other R&D institutions), public entities and business support organizations,
- organisation of activities (e.g. fairs, exhibitions, marketing and joint branding campaigns etc.) promoting products and services from the South Baltic area in international markets.

## **Main target groups**

- SMEs representing blue and green sector and developing / transferring innovative products and services within the South Baltic area
- Public institutions and equivalent public entities in the SBA

## **Exemplary types of beneficiaries**

- SMEs
- formal associations, clusters and networks of SMEs
- local and regional authorities and their associations
- chambers of commerce, business development agencies, business incubators, technology parks and other business support organizations
- schools, higher education and R&D institutions
- maritime institutions and public port administrations
- NGOs
- European Groupings of Territorial Cooperation

## **Output indicators**

Priority 1

Specific objective 1.3

ID RCO 87

Indicator Organisations cooperating across borders

Measurement unit No. of organisations

Milestone (2024) 0

Final target (2029) 27

ID RCO 116

Indicator Jointly developed solutions

Measurement unit No. of solutions

Milestone (2024) 0

Final target (2029) 7

## **Result indicators**

Priority 1

Specific objective 1.3

ID RCR 84

Indicator Organisations cooperating across borders after project completion

Measurement unit No. of organisations

Baseline 0

Reference year 2020

Final target (2029) 11

Source of data Progress report

Comments

ID RCR 104

Indicator Solutions taken up or up-scaled by organisations

Measurement unit No. of solutions

Baseline 0

Reference year 2020

Final target (2029) 4

Source of data Progress report

Comments

## **Priority Axis 2: Sustainable South Baltic - promoting sustainable development and blue and green economy**

Selected Policy Objective: 2 A greener, low-carbon Europe

Selected Specific objectives:

- 2.2 Promoting renewable energy in accordance with Renewable Energy Directive (EU) 2018/2001, including the sustainability criteria set out therein
- 2.5 Promoting access to water and sustainable water management
- 2.6 Promoting the transition to a circular and resource efficient economy

### **Programme Measure 2.1: Supporting transition towards green energy**

It is beyond question that the South Baltic Area has an enormous potential in terms of the green technology sectors (esp. green energy). These sectors may rapidly develop thanks to cooperation between public bodies, SMEs, manufacturing industries and R&D institutions. Furthermore, geographical conditions of the SBA mean that particular regions can use renewable energy sources (especially wind energy and biomass) much more efficiently. While some regions already use this type of energy sources more willingly, there is still plenty of room

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for improvement in this regard. Making greater efforts by particular countries and regions to increase the clean energy production and its safe storage and distribution can be one of the most important elements in the context of positioning the SBA as a leader in terms of blue and green economy. It can also strengthen the local (rural) economies, e.g. by increased employment rate connected to production of renewable energy, decreased climate impact and a more resilient and self-supporting society. Notably, the relatively low level of cooperation in this respect at present means that there exists significant potential in this context. Cross-border cooperation in order to raise awareness of the need for developing sustainable energy solutions (incl. safe and efficient energy storage and distribution) could further help implementing the energy transitions.

The planned interventions may include small scale pilot actions when it is justified.

#### **Exemplary actions**

- promoting areas of joint cooperation regarding energy policies, e.g. joint strategy development, joint cross-border studies, action plans and joint development of harmonisation tools, spatial development plans etc.,
- developing, demonstrating and implementing green energy solutions in production, distribution and storage of energy from renewable sources (e.g. wave, solar energy, biomass (also for fuel, heating and biogas), geothermal energy, etc.), while finding a balance with the requirements of environmental protection and laws (e.g. MSFD),
- developing and testing of innovative, applicable cross-border solutions aiming at improving and adapting energy / power grids to renewable energy specificity (e.g. development or reorganisation or integration of smart grids etc.),
- promoting the use of green energy (e.g. in vehicles) and support establishing new markets,
- elaboration of green policy strategies and patterns to overcome challenges and mobilise regional opportunities for renewable energies, including models for cooperation with energy service companies on comprehensive energy solutions,

- elaboration and testing of common cross-border standards in renewable energy by public entities, in cooperation with universities, research centres, companies and cooperatives of farmers and residents,
- capacity building actions, transfer of knowledge and exchange of best practices on green energy, green technology solutions (incl. ways of green energy distribution and storage).

### **Main target groups**

- Public institutions and equivalent public entities in the SBA
- Public and private transport and energy companies and associations

### **Exemplary types of beneficiaries**

- local and regional authorities and their associations
- schools, higher education and R&D institutions
- public or private (having either public or non-profit character) companies dealing with communal and municipal environmental and energy management (such as waste and water, heating, air protection)
- SMEs
- formal associations, clusters and networks of SMEs
- forest management institutions
- National Parks and other institutions of nature protection
- NGOs
- European Groupings of Territorial Cooperation

### **Output indicators**

Priority 2

Specific objective 2.2

ID RCO 84

Indicator Pilot actions developed jointly and implemented in projects

Measurement unit No. of pilot actions

Milestone (2024) 0

Final target (2029) 21

ID RCO 116

Indicator Jointly developed solutions

Measurement unit No. of solutions

Milestone (2024) 0

Final target (2029) 29

### **Result indicators**

Priority 2

Specific objective 2.2

ID RCR 104

Indicator Solutions taken up or up-scaled by organisations

Measurement unit No. of solutions

Baseline 0

Reference year 2020

Final target (2029) 15

Source of data Progress report

Comments

### **Programme Measure 2.2: Promoting sustainable use of water**

The Baltic Sea and its tributaries suffer from a high level of pollution (e.g. plastics and chemicals) and eutrophication. Both are consequences of the unsustainable exploitation of the local environment and water reservoirs. One of the reasons the temperature of the Baltic Sea is

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rising three times faster than the average temperature of other seas and oceans is water contamination. This fact may have a very negative implication not only on life of people in coastal regions but also on tourism sector in the SBA. Moreover, climate change consequences will result in enhanced risk of marine and flash floods, producing more intensive fluxes of pollutants into the Baltic Sea.

Taking into account that water is the most important resource of the SBA, actions under this measure are aimed at broad support of efficient and sustainable water management, especially in the field of reducing the outlets of nutrients and hazardous substances into river-basins, and subsequently into the Baltic Sea, in order to combat eutrophication and input of hazardous substances and thus enhance the water quality.

The relatively low level of cooperation in this respect at present means that there exists significant demand and potential in this context.

The planned interventions may include small scale pilot actions when it is justified.

#### **Exemplary actions**

- promoting areas of joint cooperation regarding water management policies, e.g. joint strategy development, joint cross-border studies, action plans etc.,
- developing, demonstrating and implementing green technology solutions in water management (incl. sustainable land use and waste water collection and treatment) and flood water management,
- developing and testing of innovative cross-border solutions aimed at decreasing the outflows of nutrients from small and diffuse sources in catchment areas (incl. evaluation of the cost effectiveness of solutions),
- developing and testing of innovative cross-border solutions for sustainable water management aimed at enhancing nature protection and biodiversity,
- joint development of solutions which help to secure various conflicting water uses that serve public interests (e.g. recreation and free time vs. water usage, as well as water resource protection), as well as the future water supply (both for drinking water and industrial water),

- elaboration and testing of common cross-border standards in waste and water management by public entities, in cooperation with universities, research centres, companies and cooperatives of farmers and residents,
- promoting areas of joint cooperation regarding the enhancement of aqua-culture,
- developing, demonstrating and implementing solutions for reducing pollution of the Baltic Sea by chemical munitions and other dangerous remains of sunken oil ships),
- capacity building actions, transfer of knowledge and exchange of best practices in the fields of water management and waste water collection and treatment.

### **Main target groups**

- Public institutions and equivalent public entities in the SBA
- Landowners
- SMEs
- Citizens

### **Exemplary types of beneficiaries**

- local and regional authorities and their associations
- schools, higher education and R&D institutions
- public or private (having either public or non-profit character) companies dealing with communal and municipal environmental and energy management (such as waste and water, heating, air protection), as well as ports
- SMEs
- formal associations, clusters and networks of SMEs
- NGOs
- European Groupings of Territorial Cooperation
- Water and sea management institutions

### **Output indicators**

Priority 2

Specific objective 2.5

ID RCO 84

Indicator Pilot actions developed jointly and implemented in projects

Measurement unit No. of pilot actions

Milestone (2024) 0

Final target (2029) 17

ID RCO 116

Indicator Jointly developed solutions

Measurement unit No. of solutions

Milestone (2024) 0

Final target (2029) 24

### **Result indicators**

Priority 2

Specific objective 2.2

ID RCR 104

Indicator Solutions taken up or up-scaled by organisations

Measurement unit No. of solutions

Baseline 0

Reference year 2020

Final target (2029) 12

Source of data Progress report

Comments

### **Programme Measure 2.3: Supporting a circular and more resource efficient development**

“Socio-economic challenges and demographic changes in the SBA such as ageing, depopulation, migrations and urbanization influence everyday behaviours and attitudes. They require new solutions to ensure sustainability and prosperity in the region. These solutions are expected to generate significant change to several areas such as mobility, employment, healthcare and social security systems, social structure, family policy and cultural patterns, production and consumption models, use of natural (non-renewable) resources, mature and emerging markets and business sectors. A shift towards a more circular economy will be crucial for the region’s possibility to meet the United Nations 2030 Agenda and its Sustainable Development Goals (SDGs).

An overlooked issue and shared challenge among the SB countries are how to establish behaviours and attitudes in support of responsible consumption and production. Achieving this will require a complete overhaul of our take-make-waste patterns of production and consumption in favour of a circular system with a regenerative system in which all products are designed and marketed with reuse and recycling in mind, informed by a radical shift in policies, behaviours of people and business models”.

Taking into account the abovementioned facts there is a visible potential in cross-border cooperation aimed at promotion and implementation of circular economy related actions, not only connected to reuse and recycling, but also circular product development and design, new resource efficient products and services, water efficiency methods for industry and public sector, in order to increase resource efficiency and close the loop of materials and nutrient substances.

The planned interventions may include small scale pilot actions when it is justified.

#### **Exemplary actions**

- promoting areas of joint cooperation regarding waste management policies, e.g. joint strategy development, joint cross-border studies, action plans,
- developing, demonstrating and implementing new business models (e.g. service instead of selling a product), product design (prevent waste, use non-toxic materials to prepare for reuse and recycling), production and distribution technologies / solutions / processes

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- in waste / water management and resource efficiency (e.g. re-use, recycling, recovery), incl. optimized energy utilisation (e.g. biogas) and industrial symbiosis,
- building cross-border cooperation networks aimed at re-use of waste as resource,
  - joint actions aimed at optimization of value chains for recycled materials, forest and agricultural bio-products, including the sustainable design of fishery gear with regard to recovery and recycling of 'ghostnets' etc.,
  - joint inclusive innovative actions and pilot projects aimed at inhabitants on building awareness about the necessity to introduce the processes of waste management in households,
  - cross-border promotional and awareness raising campaigns aimed at local public companies (waste / water / heating / facility / transport management) and SMEs to facilitate a transition from traditional management to circular oriented,
  - elaboration and testing of common cross-border standards in waste management by public entities, in cooperation with universities, research centres, companies and cooperatives of farmers and residents and NGOs,
  - developing, demonstrating and implementing solutions / investments that minimizes the use of new raw-materials, including promoting the use of recycled materials, in production processes,
  - capacity building actions, transfer of knowledge and exchange of best practices on waste management solutions, sharing best practices and blueprints on data sharing on current waste management practices and waste flows.

### **Main target groups**

- Public institutions and equivalent public entities in the SBA
- Landowners
- SMEs
- Citizens

### **Exemplary types of beneficiaries**

- local and regional authorities and their associations

- schools, higher education and R&D institutions
- public or private (having either public or non-profit character) companies dealing with communal and municipal environmental and energy management (such as waste and water, heating, air protection)
- SMEs
- formal associations, clusters and networks of SMEs
- NGOs
- European Groupings of Territorial Cooperation

**Output indicators**

<p>Priority 2</p> <p>Specific objective 2.6</p> <p>ID RCO 84</p> <p>Indicator Pilot actions developed jointly and implemented in projects</p> <p>Measurement unit No. of pilot actions</p> <p>Milestone (2024) 0</p> <p>Final target (2029) 14</p> <p>ID RCO 116</p> <p>Indicator Jointly developed solutions</p> <p>Measurement unit No. of solutions</p> <p>Milestone (2024) 0</p> <p>Final target (2029) 19</p>
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**Result indicators**

<p>Priority 2</p> <p>Specific objective 2.6</p> <p>ID RCR 104</p>
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Indicator Solutions taken up or up-scaled by organisations

Measurement unit No. of solutions

Baseline 0

Reference year 2020

Final target (2029) 10

Source of data Progress report

Comments

### **Priority Axis 3: Attractive South Baltic – activate the tourist and cultural potential of South Baltic Area**

Selected Policy Objective: 4 A more social Europe Selected Specific objectives:

Selected specific objective:

- 4.6. Enhancing the role of culture and sustainable tourism in economic development, social inclusion and social innovation

#### **Programme Measure 3.1: Developing sustainable, resilient and innovative tourism**

The blue and green character of the region together with a shared cultural heritage are some of the key advantages in terms of developing the tourism sector. Due to demographic change and urbanisation, sectors such as culture and creative industries, recreational services and other types of jobs in the tourism sector have become even more important in rural or remote areas. As one of the key sectors in SBA, tourism is a source of employment and income for local communities. However, it should be noted that the impact of the tourism sector on local economy may vary in different regions. High indices along the coast and low tourist stay figures in hinterland areas still make the tourism intensity in the area considerably unbalanced. The accessibility to destinations – and therefore also its effects on the environment and social inclusion – also vary, why there is a need of a holistic view to tourist travel patterns.

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In this measure the emphasis on sustainable tourism development that should be understood in two ways:

- reducing the negative impact of travel and tourism on the natural environment with conducting projects aimed at preserving biodiversity, protecting the area's rich and diverse natural (as well as cultural) offers, and a sustainable use of resources such as energy and water,
- meeting the needs of potential tourists without compromising the needs of the citizens.

The actions under this measure will focus on the improvement of the tourist and cultural offers as well as support creation of new ones in the SBA and taking obvious advantage of the geographical location. The demand for domestic nature-based and proximity tourism has increased. There is a visible increased need of answering to changed consumer behaviours and forming new and innovative services and products while repackaging mobility choices through means that are socially and environmentally sustainable. Furthermore, this measure will have a significant social dimension as it will not only positively affect the quality of life of inhabitants and quality of time spent by tourists (in the SBA), but also contribute (directly or indirectly) to the mitigation of negative effects of pandemic situation.

Creating social networks and ensuring relevant conditions for sustainable development and social inclusion will be an important element of actions for a better development of tourism sector in the area. Social inclusion plays particular role during pandemic crisis. It is also related to demographic changes in the SB area i.a. ageing of society, depopulation, brain drain, etc. It will be important to include various social groups in consultation processes, defining the social needs or identifying innovative solutions, covering improvement of infrastructure needed for social integration. In result, new products and services may be created. Social innovations are result of joint activities of public sector, private entities, NGOs and local communities. In effect, new ways of activation, giving new jobs for the inhabitants of SB area, also for people from vulnerable groups or socially excluded, may be created. Actions taken under this SO will contribute to strengthening of activity of local communities and better use of cultural and natural heritage assets. Thereby, the quality of life of inhabitants may improve and may contribute to reduction of depopulation processes in the region.

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By enhancing tourism and related branches, SB area will be developing economically and socially. Increasing the value and the touristic accessibility of cultural heritage of SB area will be improving its attractiveness. The proposed activities shall allow for creation and promotion of new tourism products, services and destinations whose potential has not been fully exploited yet. The activities may also contribute to mitigation of tourism seasonality and transition towards more sustainable, all-year-round tourism. The projects will also be aiming to increase the recognisability of the SB area. Financed infrastructure related to heritage and better access to information will enable tourists and local communities to make better use of the area's potential.

Main interventions that can be granted with the funds include: preserving cultural heritage and natural environment of the region as the main attractions for tourism; developing tourism network products and services, building cooperation between regions and countries to strengthen the offers for tourists; conducting joint events that meet the expectations and needs of both – tourists and citizens. In addition, it will also be possible to implement actions of a cross-sectoral nature and supporting the development of the circular economy.

The planned interventions may include small scale pilot actions when it is justified.

### **Exemplary actions**

- development of new tools supporting the tourism network products and services, incl. ICT tools, marketing and the promotion of cultural and natural assets of South Baltic area,
- actions to protect the biodiversity and natural heritage of the region, inclusion of natural heritage sites and protected areas in the networks and chains of sustainable tourism in the South Baltic area,
- projects aiming at preserving the cultural heritage of the region (e.g. culinary heritage, history, language),
- adapting the tourist offer (including small scale investment needed to create cross border touristic routes (e. g. signs, information stands)) to people with disabilities, activities aimed at social inclusion and the availability of e.g. open public spaces, natural and heritage sites, protected areas,

- development and testing tools, joint solutions and trainings for the tourism and cultural sector to meet e.g. the demand for future skills (e.g. digital skills), health standards (e.g. at tourism sites and when developing new offers).
- inclusion of cultural heritage sites and protected areas in the networks and chains of eco-tourism,
- joint marketing and the promotion of cultural and natural assets,
- joint campaigns, publications, studies, strategies for enhancing tourism potential of the SB,
- preparation and implementation of new tourist offers / small cross-border solutions that enhance the sustainable tourism and meet the needs of tourists as well as citizens of the region (e.g. cross-border thematic routes),
- sharing knowledge and best practices in the field of maintenance and revitalisation of cultural/natural heritage areas and sites enhancing tourist attractiveness and potential of the SBA,
- establishment of joint networks in the field of tourism and culture (esp. networks acting in the South Baltic),
- activities aimed at creation / management / promotion of cultural heritage routes existing in the South Baltic region,
- activities aimed at promotion of creative sector connected with regional heritage (e.g. handcrafts, design),
- joint cultural activities in cooperation with creative sector enhancing tourism potential of the SBA in the field of sustainable tourism e.g. thematic tourism and culture

### **Main target groups**

- Public institutions and equivalent public entities in the SBA
- SMEs
- Cultural institutions
- Tourists of the natural and cultural heritage areas / sites in the South Baltic area
- Citizens of the region, especially in more attractive (e.g. coastal) areas

## Exemplary types of beneficiaries

- Local and regional authorities and their associations
- NGOs
- Institutions of natural and cultural heritage
- Agencies supporting the development of regional and local tourism, regional development agencies, chambers of commerce, formal associations and clusters of entrepreneurs working in tourism sector
- Forest management institutions
- SMEs
- European Groupings of Territorial Cooperation

## Output indicators

Priority 3

Specific objective 4.6

ID RCO 84

Indicator Pilot actions developed jointly and implemented in projects

Measurement unit No. of pilot actions

Milestone (2024) 0

Final target (2029) 23

ID RCO 116

Indicator Jointly developed solutions

Measurement unit No. of solutions

Milestone (2024) 0

Final target (2029) 52

ID RCO 77

Indicator Number of cultural and tourism sites supported

Measurement unit No. of sites

Milestone (2024) 4

Final target (2029) 24

### **Result indicators**

Priority 3

Specific objective 4.6

ID RCR 104

Indicator Solutions taken up or up-scaled by organisations

Measurement unit No. of solutions

Baseline 0

Reference year 2020

Final target (2029) 26

Source of data Progress report

Comments

### **Priority Axis 4: Active South Baltic – improving cooperation governance**

Selected Policy Objective: ISO 1 A better cooperation governance

Selected specific objective:

- 6.1 Enhance the institutional capacity of public authorities, in particular those mandated to manage a specific territory, and of stakeholders

## **Programme Measure 4.1: Strengthen the cooperation capacity of actors based within the South Baltic Area (incl. civil society)**

This measure will allow for capacity building and strengthening the cross-border cooperation of different actors functioning within the eligible area (specifically ones representing the public sectors and the civil society) in order to solve common cross-border problems and build mutual reliance in the areas of administration, regional development and cross-border mobility.

Potential beneficiaries of this measure involve a wide array of actors, especially local actors considered to be newcomers to cross-border cooperation, creating ample opportunity for networking and developing relationships between them. Notably, it will allow for developing stronger links between the civil society and public entities, through encouraging bottom up participation in decision and policymaking.

The planned interventions may include small scale pilot actions when it is justified.

### **Exemplary actions**

- Delivery of initiatives (cross-border programmes, trainings, workshops etc.), aimed at strengthening the networking and cooperation capacity of local actors;
- Activities supporting joint local self-government administration/agencies and other institutions (e.g. NGOs) contributing to influencing regional, national and EU level policies and decisions affecting the local development;
- Actions aimed at developing stronger links between citizens and institutions at a cross-border level civil society and bottom-up involvement in decision- and policymaking;
- Activities increasing the involvement of local actors (e.g. NGOs, cultural institutions, non-formalized organizations, organizations supporting people with disabilities and from vulnerable groups) in project development and intercultural dialogue;
- Cross-border actions supporting youth empowerment, engagement of the youth with civil society and into local and regional decision-making processes;
- Actions supporting exchange of experience in the field of innovative entrepreneurship among universities, high school and vocational school students as well as graduates;
- Awareness-raising and promotion measures among local actor groups to increase trust, promote cooperation culture and common identity of the actors based;

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- Development and promotion of models, networks gathering diverse actors especially small institutions and those from rural and peripheral areas (e.g. research institutions, SMEs, business development organisations, universities, public entities) to improve the cooperation capacity

### **Main target groups**

- Small local actors (for instance, public entities operating at the local level, local municipalities, non-governmental organisations)
- Citizens

### **Exemplary types of beneficiaries**

- Local and regional authorities and their associations
- NGOs
- Local action groups
- Schools, higher education and R&D institutions
- Chambers of commerce, business development agencies and other business support organisations (e.g. business accelerators, incubators, labour market institutions etc.)
- SMEs
- Institutions of natural, culture and national heritage protection
- Public health institutions
- Associations, clusters and networks of SMEs
- European Groupings of Territorial Cooperation

### **Output indicators**

Priority 4

Specific objective 6.1

ID RCO 87

Indicator Organisations cooperating across border

Measurement unit No. of organisations

Milestone (2024) 0

Final target (2029) 140

## Result indicators

Priority 4

Specific objective 6.1

ID RCR 84

Indicator Organisations cooperating across borders after project completion

Measurement unit No. of organisations

Baseline 0

Reference year 2020

Final target (2029) 56

Source of data Progress report

## Financing plan

### Financial appropriations by year

Fund	ERDF (territorial cooperation goal)	Total
2021	11 272 102	11 272 102
2022	11 497 544	11 497 544
2023	11 727 495	11 727 495
2024	11 962 045	11 962 045

2025	12 201 286	12 201 286
2026	12 445 311	12 445 311
2027	12 694 217	12 694 217
Total	83 800 000	83 800 000

### Total financial appropriations by fund and national co-financing

Policy objective No	PO1	PO2	PO4	ISO1	Total	Total
Priority	Priority 1	Priority 2	Priority 3	Priority 4		
Fund (as applicable)	ERDF	ERDF	ERDF	ERDF	All funds	ERDF
Basis for calculation EU support (total eligible cost or public contribution )	total eligible cost					
EU contribution (a)=(a1)+(a2 )	16 760 000 ,00	37 710 000 ,00	20 950 000 ,00	8 380 000, 00	83 800 00 0,00	83 800 000 ,00
Indicative breakdown	15 663 552 ,00	35 242 992 ,00	19 579 440 ,00	7 831 776, 00	78 317 76 0,00	78 317 760 ,00

Policy objective No	PO1	PO2	PO4	ISO1	Total	Total
Priority	Priority 1	Priority 2	Priority 3	Priority 4		
of the EU contribution without TA pursuant to Article 27(1) (a1)						
Indicative breakdown of the EU contribution for TA pursuant to Article 27(1) (a2)	1 096 448,00	2 467 008,00	1 370 560,00	548 224,00	5 482 240,00	5 482 240,00
National contribution (b)=(c)+(d)	4 190 000,00	9 427 500,00	5 237 500,00	2 095 000,00	20 950 000,00	20 950 000,00
Indicative breakdown of the national counterpart	3 771 000,00	8 484 750,00	4 713 750,00	1 885 500,00	18 855 000,00	18 855 000,00

Policy objective No	PO1	PO2	PO4	ISO1	Total	Total
Priority	Priority 1	Priority 2	Priority 3	Priority 4		
National public (c)						
Indicative breakdown of the national counterpart National private (d)	419 000,00	942 750,00	523 750,00	209 500,00	2 095 000,00	2 095 000,00
Total (e)=(a)+(b)	20 950 000,00	47 137 500,00	26 187 500,00	10 475 000,00	104 750 000,00	104 750 000,00
Co-financing rate (f)=(a)/(e)	80,00%	80,00%	80,00%	80,00%	80,00%	80,00%
Contributions from the third countries (for information)	0	0	0	0	0	0

## **Action taken to involve the relevant programme partners in the preparation of the Interreg programme and the role of those programme partners in the implementation, monitoring and evaluation**

A Joint Programming Committee (JPC), the main decision making body was established in February 2020 and its two Working Groups (WGs) responsible for discussing programme strategic orientation and implementation arrangements were established. The JPC as well as the WGs were composed i.a. of national and regional level representatives as well as the two Euroregions active in the SBP area, Euroregion Baltic and Euroregion Pomerania.

The relevant public authorities, socio-economic, civil society, environmental and other partners were involved in the preparation of the programme, through direct participation in the JPC and WGs meetings (when they were the JPC/WG members), relevant national consultations and a series of consultation events for programme stakeholders organized by Euroregion Baltic.

This approach allowed a better organization of the programming process and effective work of the JPC and its WGs, which is a challenge for a programme with 5 Member States (MS) participating. Among the members of delegations to the JPC and WGs, there were the representatives of e.g. academia sector, business support organizations, tourism organizations, regional and local authorities, as well as the joint delegation of Euroregions, being themselves the representations of local communities from the programme area. In total, 9 formal JPC meetings (until end of August 2021) and 16 meetings of its WGs) were held.

Additionally, wide and comprehensive consultations with the relevant partners were conducted nationally in 5 Member States. With these consultations, the relevant partners were incorporated to providing their opinions and proposals on the draft documents:

**SWEDEN:** more than 153 organisations (from regional and national level) identified in consultation process: local and regional authorities, science parks, museums, ports, rural and forest-oriented organisations, energy agencies, universities, tourism agencies, research institutes, cultural institutions, etc. The partners provided their input to socio-economic analysis of the Programme region, SWOT, took active part in the open surveys conducted in the programming process as well as in thematic online dialogue meetings (4 meetings organized focused on: Blue and green growth, Green energy and mobility, Sustainable and innovative

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tourism, A social and inclusive society). Additionally, involved partners provided their comments on drafts of the Programme Strategy.

**DENMARK:** more than 40 stakeholders at regional/subregional level from all areas relevant for the Programme invited for consultation meetings in November/December 2020: business centre, tourism, labour union, employers union, research centre, energy and supply centres, sea ports, airport, civic society representatives such as associations within rural development, local communities, environmental and social NGO's etc.

**GERMANY:** regional committee was established as a program-related self-governing structure, involving 22 partners: urban and public authorities, chambers of commerce and crafts, universities, trade union federation, regional associations, workers welfare association, tourist association. There have been three consultation round on the Programme drafts and preparatory documents and partners provided their comments. In parallel to the partner consultation, there have been two consultation meetings organized on the intervention areas and topics addressed by the Programme. Apart from the consultation, individual partners took direct and active role in the WG 1 (strategic programme orientation) and JPC meetings (Balticnet Plasmatec - technology network at WG1 and JPC; Baltic Sea Tourism Center at WG 1; EUCC Coastal Union Germany -Network for Sustainable Development of Coast and Sea at WG1).

**POLAND:** national consultation subcommittee was established serving the consultations of the documents submitted for the JPC's and WGs discussions. There are 48 entities in this subcommittee, representing a wide variety of socio-economic partners, partners representing civic society, NGOs, regional and local administration and their associations, relevant ministries of the government, metropolitan areas, communes associations, environmental partners (e.g. WWF Poland), universities, chambers of commerce or crafts, seaports' authorities, science and technology parks, clusters of enterprises, regional development agencies, regional environment protection and water management fund, NGOs' networks and support centres, regional spatial planning offices, Central European Transport Corridor EGTC etc.

**LITHUANIA:** involvement of socio-economic partners in the programming and decision making process in Lithuania is ensured and proceeded by national regional policy system via involved representatives of Joint programing committee appointed by Region Development Councils,

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where Region Development Council Boards Partner Groups are to be created from socio-economic partners representing organisations dealing in wide range of social and economic areas. Additionally, consultations with socio-economic partners were introduced by National authority by organising information / consultation events about the new financing period 2021-2027 on territorial cooperation programmes, selection of South Baltic programme's priorities, consulting draft programme document (Note: consultation process will be performed before Governmental approval procedure). In total 15 organisations representing different socio-economic partners groups from Klaipėda, Tauragė and Telšiai regions involved during programming process and they represent such fields as environment, education, social protection, human rights, youth policy, politics of regions, disabled people rights.

Thanks to the system of national/regional consultations, they were held at the level closest to the target group of the Programme. This allowed to lift the language barrier and to involve more smaller actors and organizations which were relieved from administrative burden, but also could have the provisions of law or processes during the programming better explained and clarified. This aspect is of particular importance during the COVID-19 pandemic and the need of concentrating the time and their efforts on fighting the pandemic and planning the economic and social recovery afterwards. Online meetings and consultations also allowed to include many more stakeholders relevant for the Programme than if it was through their direct involvement in the JPC and WGs meetings.

Apart from national and regional consultation level, there were several consultation initiatives implemented in the transnational and cross-sectoral dimension. The relevant partners and Programme stakeholders had been involved in the consultations and preparation of the 2021-2027 Programme from the very beginning. Already in September 2019, the consultations and discussions regarding the possible orientation and scope of the new Programme were conducted at the Interreg South Baltic Programme 2014-2020 Annual Event in Ostróda (PL). In summer 2020, PwC Advisory company (the contractor of the JS) carried out an extensive survey among a wide group of relevant partners from the 5 MSs (i.e. local, regional and national authorities or associations thereof, public bodies, NGOs, clusters and networks of SMEs, higher education institutions, research and development institutions and providers of cultural services,

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public service providers, environmental organizations). The aim of this research was to understand best the overall vision of the south Baltic area by Programme stakeholders, existing and potential partners and other institutions. Within the survey the respondents were asked about their experience in cross-border programmes as well as challenges that the SB area has to face in the future (in the aspects of economy, society and healthcare, environment and infrastructure and technology). The third part of the survey focused on main strengths of the SB region, to verify which advantages respondents perceive as the most valuable, in which direction the Programme should go and which areas should be further developed. Almost 140 entities from the whole region representing different sectors fully responded to the questions. Also, 2 dedicated workshops were conducted then by PwC.

The relevant partners were further involved through national consultations of draft socio-economic analysis, SWOT analysis and Problems and Objectives' Tree for the South Baltic area. Comments to these analyses were provided by regional experts and analysts from the whole region and later to the drafts of proposal of Strategy and Priorities for the future SB Programme delivered by PwC.

The draft proposal of Strategy and Priorities was also subject of the public consultation. The Euroregion Baltic, acting as the lead partner of Umbrella project, has organized in autumn 2020 four thematic focus group workshops regarding the intervention areas and topics to be addressed by the Programme, attended by over 40 partners from the whole South Baltic area. The outcomes from the workshops were delivered by delegation of Euroregions to the JPC and incorporated in the works on the preparation of the Programme.

Additionally, numerous panel discussions and surveys were conducted on different project events (e.g. Umbrella, Interconnect) and Programme annual conferences (South Baltic Programme Annual Events in 2019 and 2020). The outcomes of those were presented and discussed by the JPC. Another 2 dedicated surveys among a group of small and medium ports of the South Baltic area were conducted by the JS in November 2019 and November 2020.

The documents agreed by JPC were provided for access of the general public on the part of the SB programme website dedicated to 2021-2027 programme. The documents were also published on the website of the programme authorities and other involved stakeholders. It was

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also disseminated via email to the organizations engaged in the consultation process from the beginning of programming.

The public consultations of the draft programme were held from 8 September till 15 October 2021 and included i.a. the possibility of providing comments via email to the JS and a series of conferences in the SB regions. The draft programme document was also available on demand in institutions involved in programme preparation. The reports from public consultations are available upon the request of Commission.

The comments and proposals received within the public consultations were discussed by the JPC and either duly included in the programme or dismissed under a proper justification.

The involvement of socio-economic and environmental Programme partners in the work of the Monitoring Committee will be ensured by the Member States in line with the Commission Delegated Regulation (EU) No 240/2014 of 7 January 2014 on the European code of conduct and the CPR. In each MS relevant partnerships, either in form of national/regional sub-committees or national/regional consultation networks, groups and fora, will be organised. Particular emphasis will be placed on involving variety of willing partners to the national/regional consultation groups and strengthening their institutional capacity for participating in international cooperation activities. The MA will be informed about the provisions taken by the MSs to ensure the involvement of relevant stakeholders in the consultation and decision-making processes of the Monitoring Committee. Furthermore, building on their long-standing experience of cross-border cooperation, the two Euroregions active in the South Baltic area, Euroregion Baltic and Euroregion Pomerania, will be represented in the Monitoring Committee through their own joint Euroregional delegation.

Appropriate measures to avoid potential conflict of interest will be taken where involving relevant partners to preparation of calls for proposals and decision making process.

Involvement of relevant partners in the future evaluation of the Programme will be ensured and the outcomes from the evaluation will be also subject of consultations with partners. All the principles and rules of involvement will be in details specified in the Rules of Procedures for the Monitoring Committee.

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## **Approach to communication and visibility for the Interreg programme**

The activities carried out by the Programme and its beneficiaries will be integrated, coordinated and complementary to the communication objectives of the Cohesion Policy. More details shall be presented in the Programme's communication strategy.

### **The main objective**

Supporting the implementation of the Programme's objectives through information and promotion activities, as well as indicating the impact of the European funds in the South Baltic region.

### **Detailed objectives**

- informing about the possibilities of co-financing cross-border projects and activating to obtain funds,
- supporting in the implementation of projects, including information and promotion activities,
- informing about activities and results of the Programme, showing the positive impact of projects on people's lives and the added value of European Funds.

### **Target groups**

The core target groups of the Programme and thus its communication are beneficiaries and potential beneficiaries. They are clearly defined for each Programme measure in "the main target groups" sections of the Programme's strategy document, which describe the thematic scope of the funding Programme.

Among others, they include general public, public authorities at local, regional and national levels; business support organisations; non-governmental organisations; higher education and research institutions; training centres.

### **Communication channels**

The South Baltic Programme, considering all target groups, will use the following communication channels:

- website of the Programme and relevant institutions involved in the implementation of the Programme and EU funds in each Member State participating in the Programme,

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- social media,
- traditional media (local and regional),
- information and promotion events,
- publications (including on-line publications),
- regional contact points, Information Points on European funds, EuropeDirect network.

In communication addressed to beneficiaries and potential beneficiaries, the activities will include:

- trainings and workshops,
- face-to-face and on-line consultations,
- Internet applications (ICT system for preparing applications, project settlement, on-line communication platform).

The communication potential and abilities of the beneficiaries will be used in the information and promotion activities of the Programme through:

- building and maintaining relationships with beneficiaries,
- involving beneficiaries in roles of ambassadors of the Programme and the Interreg brand, as well as in various initiatives organised and supported by the institutions implementing the Programme.

### **Budget**

The estimated budget for the implementation of information and promotion activities planned in the communication strategy will amount to approximately 4% of the Technical Assistance budget. The amounts allocated to individual communication activities will be provided in the annual information and promotion action plans.

### **Monitoring and evaluation**

The level of implementation of the assumed specific objectives and the effectiveness of information and promotion activities will be assessed as part of the Programme's evaluation. Indicators will measure if specific communication objectives of the Programme were achieved.

### **List of indicators**

### **Interest of potential applicants in the implementation of cross-border projects**

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- Number of trainings for potential beneficiaries,
- Number of consultations provided to potential beneficiaries,
- The number of users who saw on the Programme's website the information on the call for proposal,
- Number of users who saw the call for proposal posts (social media reach),
- Percentage ratio of applications that passed the evaluation process positively to the submitted applications for co-financing during the call for proposals.

#### **Increased effectiveness in the promotion of the Programme thanks to beneficiaries**

- Number of events organised by beneficiaries supporting the promotion of the Programme,
- Number of participants in events organised by beneficiaries.

#### **Increased public awareness of the benefits of implementing the Programme**

- Number of users who saw posts (social media reach),
- Number of visits to the website of the Programme,
- Number of participants in events.

### **Implementing provisions**

#### **Indication of support to small-scale projects, including small projects within small project funds**

Small-scale projects are allowed to be implemented under all programme's priorities and within the selected specific objectives. To facilitate the implementation of small-scale projects, simplification measures will be offered by the Programme (smaller partnerships, less work packages, shorter duration, or shorter reporting periods to allow fast reimbursement etc.). The detailed Programme requirements will be outlined in the Programme Manual. The small-scale project fund is not going to be established by the Programme.

Furthermore, a seed money scheme is intended, which will allow the potential South Baltic partnerships to develop projects of higher quality and submit them within regular or dedicated (or ongoing) calls for proposals. The form of the call shall be decided by the Monitoring Committee. At the same time, the scheme can serve as an incentive for potential beneficiaries to convince their local decision makers to start developing the project, as the costs of those activities would be covered. What is in line with the Programme interest in small, local beneficiaries to be involved in the Programme activities. The seed money scheme has been used in the previous editions of the Programme and has proven to be a useful tool to these ends.

### **Programme authorities**

Programme authorities	Name of the institution	Contact name	E-mail
Managing authority	Ministry of Development Funds and Regional Policy of the Republic of Poland ul. Wspólna 2/4 00-926 Warszawa Poland	Minister responsible for regional development, Poland	kancelaria@mfipr.gov.pl
National authority (for programmes with participating third or partner)	n/a	n/a	n/a

Programme authorities	Name of the institution	Contact name	E-mail
countries, if appropriate)			
Audit authority	Head of the National Revenue Administration Ministry of Finance ul. Świętokrzyska 12 00-916 Warszawa, Poland	Dominik Zalewski Director of the Department of Audit of Public Funds at the Ministry of Finance	sekretariat.das@mf.gov.pl
Group of auditors representatives	Swedish National Financial Management Authority	Marie Blomqvist	Marie.Blomqvist@esv.se registrator@esv.se
	Danish Business Authority EU-Controller Unit Langelinje Allé 17 DK-2100 København Ø	Fatima Krag +45 35 29 15 29 Svend Holger Welleberg +45 35 29 14 53	fatkra@erst.dk svhowe@erst.dk
	Ministry of the		

Programme authorities	Name of the institution	Contact name	E-mail
	Interior of the Republic of Lithuania		
	Ministry of Finance Mecklenburg-Vorpommern Schloßstrasse 9-11 19053 Schwerin	Head of Unit EU Financial Control ERDF	poststelle@fm.mv-regierung.de
Body to which the payments are to be made by the Commission	Ministry of Development Funds and Regional Policy of the Republic of Poland ul. Wspólna 2/4 00-926 Warszawa Poland	Minister responsible for regional development, Poland	kancelaria@mfipr.gov.pl

### **Procedure for setting up the joint secretariat**

The Managing Authority, in agreement with the Member States represented in the programme will set up a Joint Secretariat (JS), which will assist the Managing Authority and the Monitoring Committee in carrying out their respective duties.

The Managing Authority shall be responsible for establishing the rules for the allocation and transfer of Technical Assistance funds, referred to in Article 27 of the Interreg Regulation, to relevant stakeholders, including Joint Secretariat. Detailed arrangements for transferring

The document meets the accessibility rules

payments to eligible entities for the implementation of tasks for the Programme will be described in the dedicated document allocating Technical Assistance funds to each stakeholder.

The JS will be located in Gdańsk, Poland within the framework of the Centre of European Projects acting as a hosting institution appointed by the Managing Authority. The Joint Secretariat will use similar implementation arrangements as set for the 2014-2020 programming period. The JS shall be financed from the Technical Assistance budget. International staff shall be employed in the JS. The number and qualification of staff shall correspond to the functions carried out by the JS. The tasks of the JS will be laid down in a separate agreement with the Managing Authority and included in individual job descriptions. The tasks of the JS, inter alia, include:

- promotion and providing information about the programme and its objectives;
- providing assistance and advice to potential programme beneficiaries;
- receiving and registering project applications,
- assessment of submitted applications,
- being in charge of the day-to-day implementation of the programme;
- preparation of the Monitoring Committee meetings and providing it with all relevant documentation;
- assisting the Managing Authority in implementation of the programme as well as its monitoring,
- participation, in cooperation with the Managing Authority, in the Technical Assistance payment procedure, covering also Contact Points.